

HOUSE BILL 3152

By McDaniel

AN ACT to amend the Tennessee Code Annotated Title 9
relative to the appropriation of funds for Medical
Assistance

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, Part 51 is amended by adding the following new section:

(a) For any law enacted after the effective date of this act, which results in a net increase in the state share of the cost of medical assistance provided through the Medicaid or TennCare programs authorized under Tennessee Code Annotated, Title 71, Chapter 5, part 1, there shall be appropriated from recurring revenues the estimated state share of the operating cost of such law.

(b) "Operating costs" as referred to in subsection (a) means all costs other than capital outlay costs.

(c) The amount of appropriations made under subsections (a) and (d) shall be equal to the amounts reflected in fiscal notes prepared by the staff of the fiscal review committee. For purposes of subsection (a), such costs shall be the operating cost, in current dollars, of the highest of the next five (5) fiscal years commencing after the effective date of any law described in the subsection (a) enacted after the date this act becomes effective.

(d) Prior to submission of the budget for fiscal years beginning after 2002- 2003, estimates of any appropriations made under subsection (a) may be adjusted to determine the amount of appropriations of recurring revenues to be repeated for the ensuing fiscal year. If no adjustment is made, then the amount of appropriations previously made shall be repeated.

(e) If the recurring appropriations exceed the necessary appropriations to fund the anticipated recurring expenditures for the ensuing fiscal year, the remaining appropriations shall be placed in a reserve to be used only for the following purposes:

- (1) one-time health related expenditures; or,
- (2) increasing the reserve for revenue fluctuation.

(f) Any law enacted without the funding required by this section shall be null and void unless such funding is appropriated in the general appropriation act.

SECTION 2. This act shall become effective upon becoming law, the public welfare requiring it.